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Macroeconomic policy questions: trade and development

Report of the Second Committee*

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Addendum

I. Introduction

1. The Second Committee held a substantive debate on agenda item 91 (see A/53/606, para. 2). Action on sub-item (a) was taken at the 35th, 36th, 38th, 40th, 41st and 42nd meetings, on 6, 10, 12, 24 and 25 November and 1 December 1998. An account of the Committee's consideration of the sub-item is contained in the relevant summary records (A/C.2/53/SR.35, 36, 38 and 40–42.

II. Consideration of proposals

A. Draft resolution A/C.2/53/L.26/Rev.2

2. At the 35th meeting, on 6 November, the representative of *Indonesia*, on behalf of the States Members of the United Nations that are members of the Group of 77 and *China*, introduced a draft resolution entitled "International trade and development" (A/C.2/53/L.26), which read:

"*The General Assembly*,

"*Reaffirming* its resolutions 50/95 and 50/98 of 20 December 1995, 51/167 of 16 December 1996 and 52/182 of 18 December 1997, as well as relevant international agreements concerning trade, economic growth, development and interrelated issues,

* The report of the Committee on this item will be issued in six parts, under the symbol A/53/606 and Add.1–5.

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"*Welcoming* the ministerial communiqué on market access: developments since the Uruguay Round, implications, opportunities and challenges, in particular for the developing countries and the least developed among them, in the context of globalization and liberalization, adopted by the Economic and Social Council on 8 July 1998,[1]

"*Reaffirming* the outcome of the ninth session of the United Nations Conference on Trade and Development, held at Midrand, South Africa,[2] which provides an important framework for promoting a partnership for growth and development,

"*Taking note* of the report of the Trade and Development Board on its forty-fifth session,[3]

"*Noting* that the second Ministerial Conference of the World Trade Organization was held at Geneva from 18 to 20 May 1998,

"1. *Recognizes* the importance of the expansion of international trade as an engine of growth and development and, in this context, the need for expeditious and complete integration of developing countries into the international trading system in full cognizance of the opportunities and challenges of globalization and liberalization and taking into account the special needs of developing countries;

"2. *Renews* the commitment to uphold and strengthen an open, rule-based, equitable, secure, non-discriminatory, transparent and predictable multilateral trade system, which contributes to the economic and social advancement of all countries and peoples by promoting the liberalization and expansion of trade, employment and stability and by providing a framework for the conduct of international trade relations; in this context, deplores any attempt to bypass or undermine multilaterally agreed procedures on the conduct of international trade by resorting to unilateral actions over and above the multilateral trade rules and regulations, including those agreed in the Uruguay Round of multilateral trade negotiations;

"3. *Reaffirms* the role of the United Nations Conference on Trade and Development as the focal point within the United Nations for the integrated treatment of development and related issues in areas of trade, finance, technology, investment and sustainable development;

"4. *Requests* the United Nations Conference on Trade and Development to continue, on the basis of the outcome of its ninth session, to identify and analyse the implications for development of issues relevant to investment, taking into account the interests of developing countries and bearing in mind the work undertaken by other organizations;

"5. *Notes with appreciation* the initiative of the Secretary-General of the United Nations Conference on Trade and Development to invite the executive secretaries of the United Nations regional commissions to participate in the

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[1] See *Official Records of the General Assembly, Fifty-third Session, Supplement No. 3* (A/53/3), chap. IV, para. 5.

[2] *Proceedings of the United Nations Conference on Trade and Development, Ninth Session, Midrand, Republic of South Africa, 27 April–11 May 1996, Report and Annexes* (United Nations publication, Sales No. E.97.II.D.4), part one, sect. A.

[3] A/53/15 (Part IV), to be issued in final form in *Official Records of the General Assembly, Fifty-third Session, Supplement No. 15* (A/53/15/Rev.1).

discussions of the Trade and Development Board and encourages the continuation of such a practice in the future;

"6. *Reiterates* the importance of continued trade liberalization in developed and developing countries, particularly in sectors of export interest to developing countries, through, *inter alia*:

"(a) Substantial reductions in all tariffs, the rolling back of tariff peaks and the removal of tariff escalation, which still affect a notable range of products and sectors;

"(b) The elimination of trade-distorting policies, protectionist practices and non-tariff barriers in international trade relations;

"(c) Subjecting resort to anti-dumping duties, countervailing duties, phytosanitary and technical standards to increased multilateral surveillance, so that they respect and are consistent with multilateral rules and obligations and are not used for protectionist purposes;

"(d) The improvement and renewal, by preference-giving countries, of their generalized system of preference schemes with the objective of integrating developing countries, especially the least developed countries, into the international trading system and of finding ways and means to ensure more effective utilization of generalized system of preference schemes; in this context, notes the concern among the beneficiaries that the enlargement of the scope of the generalized system of preferences, by linking eligibility to non-trade considerations, may detract value from its original principles, namely, non-discrimination, universality, burden-sharing and non-reciprocity;

"7. *Stresses* that it is an ethical imperative for the international community to arrest and reverse the marginalization of the least developed countries through the promotion of their expeditious integration into the world economy by taking the fullest possible advantage of trading opportunities arising from globalization and liberalization and recognizes that full implementation of the Plan of Action for the Least Developed Countries requires, as requested in the ministerial communiqué on market access adopted by the Economic and Social Council on 8 July 1998,[1] further progress towards duty-free imports from least developed countries, consolidation of international assistance to complement their capacity-building efforts and the provision of increased technical assistance to help strengthen their supply capacity;

"8. *Also stresses* the urgent need to facilitate the integration of the African countries into the world economy and, in this context, welcomes the action-oriented agenda for the development of Africa contained in the report of the Secretary-General on the causes of conflict and the promotion of durable peace and sustainable development in Africa,[4] and endorses the call contained in the ministerial communiqué for continued efforts to enhance market access for products of interest to African economies and for support for their efforts at diversification and building of supply capacity and, in this context, requests the United Nations Conference on Trade and Development to continue its contribution to the implementation of the United Nations New Agenda for the Development of Africa in the 1990s,[5] taking into account the agreed conclusions of the Trade and Development Board at its forty-fifth session,[6]

[4] A/52/871–S/1998/318.

[5] Resolution 46/151, annex, sect. II.

[6] A/53/15 (Part IV), chap. I, sect. E, agreed conclusions 454 (XLV).

"9. *Further stresses* the need to give special attention, within the context of international cooperation on trade and development issues, to the implementation of the many international development commitments geared to meeting the special development needs and problems of small island developing States and of landlocked developing States, and to recognize that developing countries that provide transit services need adequate support in maintaining and improving their transit infrastructure;

"10. *Reiterates* the importance of the effective application by all members of the World Trade Organization of all provisions of the Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations,[7] taking into account the specific interests of developing countries and the need for the effective implementation of the special provisions in the multilateral trade agreements and related ministerial decisions in favour of developing countries and, in this respect, reiterates the need for the full implementation of special and preferential treatment for developing countries, and urges Governments and concerned international organizations to apply effectively the Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Developing Countries;[7]

"11. *Also reiterates* the importance of maintaining the momentum towards increased trade liberalization, particularly as regards products of interest to developing countries, and of giving it attention in the work leading up to the third Ministerial Conference of the World Trade Organization; further liberalization should be sufficiently broad-based to respond to the range of interests and concerns of all members of the organization, particularly the developing countries, within the framework of the organization; in this regard, invites the United Nations Conference on Trade and Development to provide analytical support and technical assistance to developing countries for their effective participation in multilateral trade negotiations and for formulating a positive agenda for future trade negotiations;

"12. *Welcomes* the launching of the substantive preparatory process for the tenth session of the United Nations Conference on Trade and Development, to be held at Bangkok in 2000, by the Trade and Development Board at its forty-fifth session, with a view to the finalization of the agenda of the Conference by the Board at its nineteenth executive session, in December 1998, and considers that the tenth session of the Conference will provide an important opportunity for the United Nations system and the international community to make a collective reflection on development;

"13. *Emphasizes* the importance of the strengthening of, and the attainment of greater universality by, the international trading system and of accelerating the process directed towards accession to the World Trade Organization of developing countries and countries with economies in transition, and emphasizes the necessity for Governments members of the World Trade Organization and relevant international organizations to assist non-members of the World Trade Organization so as to facilitate their efforts with respect to accession, in an expeditious and transparent manner on the basis of World Trade Organization rights and obligations, and for the United Nations Conference on Trade and Development and the World Trade Organization to provide technical assistance, within their mandate, thereby

[7] See *Legal Instruments Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations, done at Marrakesh on 15 April 1994* (GATT secretariat publication, Sales No. GATT/1994–7).

contributing to the rapid and full integration of those countries into the multilateral trading system;

"14. *Stresses* the need for improved and coordinated measures to address the effects of the financial crisis on the international trading system and the development prospects of developing countries, emphasizing that keeping the trading system open and maintaining continued growth in world trade are key elements in overcoming the crisis, and rejects the use of any protectionist measures; at a broader level, there is a need for greater coherence between the development objectives agreed to by the international community and the functioning of the international trading and financial system. In this context, calls for close cooperation among the United Nations system, the World Trade Organization and the Bretton Woods institutions;

"15. *Recognizes* the importance of open regional economic integration in the creation of new opportunities for expanding trade and investment, stresses the importance of those initiatives' being in conformity with World Trade Organization rules, where applicable, and, bearing in mind the primacy of the multilateral trading system, affirms that regional trade agreements should be outward-oriented and supportive of the multilateral trading system;

"16. *Reiterates* that, in line with Agenda 21[8] and the Rio Declaration on Environment and Development,[9] Governments should have as their objective to ensure that trade and environmental policies are mutually supportive so as to achieve sustainable development; in so doing, their environmental policies and measures with a potential trade impact should not be used for protectionist purposes, and in this context encourages the United Nations Conference on Trade and Development to continue its work on trade, environment and development;

"17. *Strongly underlines* the need to provide technical assistance to developing countries for capacity-building in trade negotiations and for taking the fullest possible advantage of the dispute settlement mechanism and in this regard emphasizes the importance of strengthening the capacity of the United Nations Conference on Trade and Development in carrying out analytical and technical cooperation activities in the areas of trade, finance, technology, investment and sustainable development, and welcomes its collaboration with relevant organizations of the United Nations system, including the Bretton Woods institutions, the World Trade Organization, the Bank for International Settlements and other relevant organizations in undertaking its work;

"18. *Emphasizes* that the dispute settlement mechanism of the World Trade Organization is a key element with regard to the integrity and credibility of the multilateral trading system and the full realization of the benefits anticipated from the conclusion of the Uruguay Round of multilateral trade negotiations and in this context underlines the need for the World Trade Organization to take into account the potential consequences of its rulings on developing countries, in particular the least developed countries and small island developing States;

"19. *Requests* the Secretary-General of the United Nations, in collaboration with the secretariat of the United Nations Conference on Trade and Development, to report to the General Assembly at its fifty-fourth session on the implementation of

[8] *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3–14 June 1992*, vol. I, *Resolutions Adopted by the Conference* (United Nations publication, Sales No. E.93.I.8 and Corr.1), resolution 1, annex II.

[9] Ibid., annex I.

the present resolution, developments in the multilateral trading system and the implementation of the ministerial communiqué on market access adopted by the Economic and Social Council on 8 July 1998."

3. At the 42nd meeting, on 1 December, the Vice-Chairman of the Committee, Mr. Burak Özügergin (Turkey), informed the Committee of the outcome of the informal consultations held on draft resolution A/C.2/53/L.26, and drew the attention of the Committee to a revised draft resolution entitled "International trade and development" (A/C.2/53/L.26/Rev.2), submitted by the sponsors of draft resolution A/C.2/53/L.26 and *Australia, Austria* (on behalf of the States Members of the United Nations that are members of the European Union), *Canada, Japan, Mexico, New Zealand, Norway,* the *Republic of Korea*, the *Russian Federation* and the *United States of America*.

4. At the same meeting, the Committee adopted draft resolution A/C.2/53/L.26/Rev.2 (see para. 10, draft resolution I).

5. After the adoption of the draft resolution, statements were made by the representatives of Saint Lucia, Fiji and Turkey (see A/C.2/53/SR.42).

B. Draft resolutions A/C.2/53/L.34 and Rev.1

6. At the 36th meeting, on 10 November, the representative of Kazakhstan, on behalf of *Afghanistan, Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan*, the *Republic of Moldova, Romania, Tajikistan, Turkey, Ukraine* and *Uzbekistan*, introduced a draft resolution entitled "Transit environment in the landlocked States in Central Asia and their transit developing neighbours" (A/C.2/53/L.34). Subsequently, *Belarus*, the *Islamic Republic of Iran, Mongolia, Poland, the former Yugoslav Republic of Macedonia* and *Turkmenistan* joined in sponsoring the draft resolution, which read as follows:

"*The General Assembly*,

"*Recalling* its resolutions 48/169 and 48/170 of 21 December 1993, 49/102 of 19 December 1994 and 51/168 of 16 December 1996,

"*Recalling also* the document entitled 'Global framework for transit transport cooperation between landlocked and transit developing countries and the donor community',[10]

"*Recognizing* that the overall socio-economic development efforts of the landlocked States in Central Asia, seeking to enter world markets through the establishment of a multicountry transit system, are impeded by a lack of territorial access to the sea as well as by remoteness and isolation from world markets and lack of adequate infrastructure in the transport sector in transit developing neighbours due to their economic problems,

"*Reaffirming* that transit countries, in the exercise of their full sovereignty over their territory, have the right to take all measures to ensure that the rights and facilities provided for landlocked countries in no way infringe upon their legitimate interests,

"*Supporting* the current efforts being undertaken by the newly independent and developing landlocked States in Central Asia and their transit developing neighbours through relevant multilateral, bilateral and regional arrangements to address issues regarding the development of a viable transit infrastructure in the region,

[10] TD/B/42(1)/11–TD/B/LDC/AC.1/7, annex I.

"*Taking note* of the report prepared by the United Nations Conference on Trade and Development on the transit environment in the landlocked States of Central Asia and their transit neighbours,[11] and considering that the problems of transit transport facing the Central Asian region need to be seen against the backdrop of economic changes and accompanying challenges, including especially the impact of those changes on the international and intraregional trade of the countries concerned,

"*Recognizing* that, to be effective, a transit transport strategy for the newly independent and developing landlocked States in Central Asia and their transit developing neighbours should incorporate actions that address both the problems inherent in the use of existing transit routes and those associated with the development and smooth functioning of new, alternative routes,

"*Noting* that there have been a number of important developments at the subregional and regional levels, including the signing of a transit transport framework agreement among member States of the Economic Cooperation Organization at Almaty, Kazakhstan, on 9 May 1998, the signing by the heads of State of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, the Economic Commission for Europe and the Economic and Social Commission for Asia and the Pacific of the Tashkent Declaration of 26 March 1998 on the United Nations special programme for the economies of Central Asia,[12] the implementation of the expanded Transport Corridor-Europe-Caucasus-Asia programme and the signing of the Baku Declaration of 8 September 1998,[13]

"*Emphasizing once again* the importance of strengthening international support measures to address further the problems of the newly independent and developing landlocked States in Central Asia and their transit developing neighbours,

"1. *Notes with appreciation* the contribution of the United Nations Conference on Trade and Development to improving the efficiency of the transit transport system in the landlocked States in Central Asia and their transit developing neighbours;

"2. *Invites* the Secretary-General of the United Nations Conference on Trade and Development and the Governments concerned, in cooperation with the United Nations Development Programme, the Economic and Social Commission for Asia and the Pacific, the Economic Commission for Europe and relevant regional and international organizations, and in accordance with approved programme priorities and within existing financial resources, to continue elaborating a programme for improving the efficiency of the current transit environment in the newly independent and developing landlocked States in Central Asia and their transit developing neighbours;

"3. *Invites* the Secretary-General of the United Nations Conference on Trade and Development, in close cooperation with the regional commissions and relevant international organizations, to provide technical assistance and advisory services, within the current mandate and resources of the Conference, to the newly independent landlocked States in Central Asia and their transit developing neighbours, taking into account the relevant transit transport agreements;

"4. *Invites* donor countries and multilateral financial and development institutions, within their mandates, to continue to provide the newly independent and

[11] A/53/331, annex.

[12] A/53/96, annex II.

[13] A/C.2/53/4, annex.

developing landlocked States in Central Asia and their transit developing neighbours with appropriate financial and technical assistance for the improvement of the transit environment, including construction, maintenance and improvement of their transport, storage and other transit-related facilities and improved communications;

"5. *Calls upon* the United Nations system to continue studying, within the scope of the implementation of the present resolution, possible ways of promoting more cooperative arrangements between landlocked States in Central Asia and their transit developing neighbours, and to encourage a more active supportive role on the part of the donor community;

"6. *Requests* the Secretary-General of the United Nations Conference on Trade and Development, in close cooperation with the regional commissions, to prepare a report on the implementation of the present resolution, to be submitted to the General Assembly at its fifty-fifth session."

7. At the 41st meeting, on 25 November, the Vice-Chairman of the Committee, Mr. Odyek Agona (Uganda), informed the Committee of the outcome of the informal consultations held on the draft resolution and drew the attention of the Committee to a revised draft resolution entitled "Transit environment in the landlocked States in Central Asia and their transit developing neighbours" (A/C.2/53/L.34/Rev.1).

8. At the same meeting, the Committee adopted draft resolution A/C.2/53/L.34/Rev.1 (see para. 10, draft resolution II).

C. Draft decision

9. At its 42nd meeting, on 1 December, on the proposal of the Chairman, the Committee decided to recommend to the General Assembly that it take note of the report of the Trade and Development Board on its sixteenth, seventeenth and eighteenth executive sessions (A/53/15 (Parts I–III)) and the note by the Secretary-General on the follow-up to agreed conclusions 1997/1 of the Economic and Social Council (A/53/510) (see para. 11).

III. Recommendations of the Second Committee

10. The Second Committee recommends to the General Assembly the adoption of the following draft resolutions:

Draft resolution I

International trade and development

The General Assembly,

Reaffirming its resolutions 50/95 and 50/98 of 20 December 1995, 51/167 of 16 December 1996 and 52/182 of 18 December 1997, as well as relevant international agreements concerning trade, economic growth, development and interrelated issues,

Welcoming the ministerial communiqué on market access: developments since the Uruguay Round, implications, opportunities and challenges, in particular for the developing

countries and the least developed among them, in the context of globalization and liberalization, adopted by the Economic and Social Council on 8 July 1998,[14]

Reaffirming the outcome of the ninth session of the United Nations Conference on Trade and Development, held at Midrand, South Africa,[15] which provides an important framework for promoting a partnership for growth and development,

Emphasizing that a favourable and conducive international economic and financial environment and a positive investment climate are necessary for the economic growth of the world economy, including the creation of employment, in particular for the growth and development of developing countries, and emphasizing also that each country is responsible for its own economic policies for sustainable development,

Taking note of the report of the Trade and Development Board on its forty-fifth session,[16]

Noting that the second Ministerial Conference of the World Trade Organization was held at Geneva from 18 to 20 May 1998,

1. *Recognizes* the importance of the expansion of international trade as an engine of growth and development and, in this context, the need for expeditious and complete integration of developing countries and countries with economies in transition into the international trading system, in full cognizance of the opportunities and challenges of globalization and liberalization and taking into account the circumstances of individual countries, in particular the trade interests and development needs of developing countries;

2. *Renews* the commitment to uphold and strengthen an open, rule-based, equitable, secure, non-discriminatory, transparent and predictable multilateral trade system, which contributes to the economic and social advancement of all countries and peoples by promoting the liberalization and expansion of trade, employment and stability and by providing a framework for the conduct of international trade relations;

3. *Deplores* any attempt to bypass or undermine multilaterally agreed procedures on the conduct of international trade by unilateral actions inconsistent with the multilateral trade rules and regulations, including those agreed in the Uruguay Round of multilateral trade negotiations;

4. *Reaffirms* the role of the United Nations Conference on Trade and Development as the focal point within the United Nations for the integrated treatment of development and related issues in the areas of trade, finance, technology, investment and sustainable development;

5. *Requests* the United Nations Conference on Trade and Development to continue, on the basis of the outcome of its ninth session, to identify and analyse the implications for development of issues relevant to investment, taking into account the interests of developing countries and bearing in mind the work undertaken by other organizations;

6. *Notes with appreciation* the initiative of the Secretary-General of the United Nations Conference on Trade and Development to invite the executive secretaries of the

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[14] See *Official Records of the General Assembly, Fifty-third Session, Supplement No. 3* (A/53/3), chap. IV, para. 5.

[15] *Proceedings of the United Nations Conference on Trade and Development, Ninth Session, Midrand, Republic of South Africa, 27 April–11 May 1996, Report and Annexes* (United Nations publication, Sales No. E.97.II.D.4), part one, sect. A.

[16] A/53/15 (Part IV), to be issued in final form in *Official Records of the General Assembly, Fifty-third Session, Supplement No. 15* (A/53/15/Rev.1).

United Nations regional commissions to participate in the discussions of the Trade and Development Board and encourages the continuation of such a practice in the future;

7. *Notes* the increasing importance and application of electronic commerce in international trade and, in this context, welcomes the United Nations Conference on Trade and Development "Partners for Development" Summit, held at Lyon, France, from 9 to 12 November 1998, and urges the United Nations Conference on Trade and Development, in cooperation with other relevant bodies of the United Nations system, to continue to assist developing countries, in particular the least developed countries, and, in this regard, further notes the needs of the economies in transition;

8. *Reiterates* the importance of continued trade liberalization in developed and developing countries, including in sectors of export interest to developing countries, through, *inter alia*:

(a) Substantial reductions of tariffs, the rolling back of tariff peaks and the removal of tariff escalation;

(b) The elimination of trade-distorting policies, protectionist practices and non-tariff barriers in international trade relations;

(c) Ensuring that the resort to anti-dumping duties, countervailing duties, phytosanitary and technical standards are subjected to effective multilateral surveillance so that such actions respect and are consistent with multilateral rules and obligations and are not used for protectionist purposes;

(d) The improvement and renewal, by preference-giving countries, of their generalized system of preference schemes with the objective of integrating developing countries, especially the least developed countries, into the international trading system and of finding ways and means to ensure more effective utilization of generalized system of preference schemes, and in this context reiterates its original principles, namely, non-discrimination, universality, burden-sharing and non-reciprocity;

9. *Also reiterates* that it is an ethical imperative for the international community to arrest and reverse the marginalization of the least developed countries and to promote their expeditious integration into the world economy, and, as declared in the ministerial communiqué on market access adopted by the Economic and Social Council on 8 July 1998,[14] all countries should work together towards further enhanced market access for exports from least developed countries within the context of supporting their own efforts at capacity-building; welcomes the initiatives taken by the World Trade Organization in cooperation with other organizations in the implementation of the Plan of Action for the Least Developed Countries adopted at its first Ministerial Conference in December 1996, including through effective follow-up of the High-level Meeting on Integrated Initiatives for Least Developed Countries' Trade Development, held in October 1997; recognizes that the full implementation of the Plan of Action requires further progress towards duty-free imports from the least developed countries; and invites the relevant international organizations to provide enhanced technical assistance to help strengthen the supply capacity of the least developed countries so as to help them take the fullest possible advantage of trading opportunities arising from globalization and liberalization;

10. *Stresses* the urgent need to facilitate the integration of the countries of Africa into the world economy and, in this context, welcomes the action-oriented agenda for the development of Africa contained in the report of the Secretary-General on the causes of

conflict and the promotion of durable peace and sustainable development in Africa,[17] and endorses the call contained in the ministerial communiqué for continued efforts to enhance market access for products of export interest to African economies and support for their efforts at diversification and building of supply capacity and, in this context, requests the United Nations Conference on Trade and Development to continue its contribution to the implementation of the United Nations New Agenda for the Development of Africa in the 1990s,[18] taking into account the agreed conclusions of the Trade and Development Board at its forty-fifth session;[19]

11. *Also stresses* the need to give special attention, within the context of international cooperation on trade and development issues, to the implementation of the many international development commitments geared to meeting the special development needs and problems of small island developing States and of landlocked developing States, and to recognize that developing countries that provide transit services need adequate support in maintaining and improving their transit infrastructure;

12. *Reiterates* the importance of the effective application by all members of the World Trade Organization of all provisions of the Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations,[20] taking into account the specific interests of developing countries so as to maximize economic growth and developmental benefits for all, and the need for the effective implementation of the special provisions in the multilateral trade agreements and related ministerial decisions in favour of developing countries, including special and preferential treatment, and urges Governments and concerned international organizations to apply effectively the Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Developing Countries;[20]

13. *Also reiterates* that it is important that the momentum towards increased trade liberalization, particularly as regards products of interest to developing countries, be maintained and given attention in the work leading up to the third Ministerial Conference of the World Trade Organization: further liberalization should be sufficiently broad-based to respond to the range of interests and concerns of all members of the organization within the framework of the World Trade Organization; and, in this regard, invites the United Nations Conference on Trade and Development to provide analytical support and technical assistance to developing countries for their effective participation in multilateral trade negotiations and in their formulation of a positive agenda for future trade negotiations;

14. *Welcomes* the launching of the substantive preparatory process for the tenth session of the United Nations Conference on Trade and Development, to be held at Bangkok in 2000, by the Trade and Development Board at its forty-fifth session, with a view to the finalization of the agenda of the Conference by the Board at its nineteenth executive session, in December 1998, and considers that the tenth session of the Conference will provide an important opportunity for the United Nations system and the international community to make a collective reflection on development;

15. *Emphasizes* the importance of the strengthening of, and the attainment of greater universality by, the international trading system and of accelerating the process directed towards accession to the World Trade Organization of developing countries and countries

[17] A/52/871–S/1998/318.

[18] Resolution 46/151, annex, sect. II.

[19] A/53/15 (Part IV), chap. I, sect. E, agreed conclusions 454 (XLV).

[20] See *Legal Instruments Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations, done at Marrakesh on 15 April 1994* (GATT secretariat publication, Sales No. GATT/1994–7).

with economies in transition, and emphasizes the necessity for Governments members of the World Trade Organization and relevant international organizations to assist non-members of the World Trade Organization so as to facilitate their efforts with respect to accession, in an expeditious and transparent manner on the basis of World Trade Organization rights and obligations, and for the United Nations Conference on Trade and Development and the World Trade Organization to provide technical assistance, within their mandate, thereby contributing to the rapid and full integration of those countries into the multilateral trading system;

16. *Stresses* the need for improved measures to address the effects of the financial crisis on the international trading system and the development prospects of developing countries and the countries affected by the crisis, emphasizing that keeping all markets open and maintaining continued growth in world trade are key elements in overcoming the crisis, and in this context rejects the use of any protectionist measures; at a broader level, there is a need for greater coherence between the development objectives agreed to by the international community and the functioning of the international trading and financial system, and in this context calls for close cooperation between the organizations of the United Nations system, and the multilateral trade and financial institutions;

17. *Recognizes* the importance of open regional economic integration in the creation of new opportunities for expanding trade and investment, stresses the importance of those initiatives' being in conformity with World Trade Organization rules, where applicable, and, bearing in mind the primacy of the multilateral trading system, affirms that regional trade agreements should be outward-oriented and supportive of the multilateral trading system;

18. *Reiterates* that, in line with Agenda 21[21] and the Rio Declaration on Environment and Development,[22] Governments should have as their objective to ensure that trade and environmental policies are mutually supportive so as to achieve sustainable development and; in so doing, their environmental policies and measures with a potential trade impact should not be used for protectionist purposes; and encourages the United Nations Conference on Trade and Development to continue its work on trade, environment and development;

19. *Strongly underlines* the need for technical assistance to developing countries in taking the fullest possible advantage of the dispute settlement mechanism of the World Trade Organization, based on multilaterally agreed rules and regulations, and in this context emphasizes the importance of enabling the United Nations Conference on Trade and Development to provide technical assistance to developing countries, in particular the least developed countries and small island developing States, in this area, and welcomes its collaboration with the relevant organizations of the United Nations system, the Bretton Woods institutions, the World Trade Organization, the Bank for International Settlements and other relevant organizations in undertaking its work;

20. *Emphasizes* that the dispute settlement mechanism of the World Trade Organization is a key element with regard to the integrity and credibility of the multilateral trading system and the full realization of the benefits anticipated from the conclusion of the Uruguay Round of multilateral trade negotiations;

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[21] *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3–14 June 1992*, vol. I, *Resolutions Adopted by the Conference* (United Nations publication, Sales No. E.93.I.8 and Corr.1), resolution 1, annex II.

[22] Ibid., annex I.

21. *Requests* the Secretary-General of the United Nations, in collaboration with the secretariat of the United Nations Conference on Trade and Development, to report to the General Assembly at its fifty-fourth session on the implementation of the present resolution, developments in the multilateral trading system and the implementation of the ministerial communiqué on market access adopted by the Economic and Social Council on 8 July 1998.

Draft resolution II

Transit environment in the landlocked States in Central Asia and their transit developing neighbours

The General Assembly,

Recalling its resolutions 48/169 and 48/170 of 21 December 1993, 49/102 of 19 December 1994 and 51/168 of 16 December 1996,

Recalling also the Global Framework for Transit Transport Cooperation between Landlocked and Transit Developing Countries and the Donor Community[23] and other relevant international legal instruments,

Recognizing that the overall socio-economic development efforts of the landlocked States in Central Asia, seeking to enter world markets through the establishment of a multicountry transit system, are impeded by a lack of territorial access to the sea as well as by remoteness and isolation from world markets and lack of adequate infrastructure in the transport sector in transit developing neighbours due to their economic problems,

Reaffirming that transit countries, in the exercise of their full sovereignty over their territory, have the right to take all measures necessary to ensure that the rights and facilities provided for landlocked countries in no way infringe upon their legitimate interests,

Supporting the current efforts being undertaken by the newly independent and developing landlocked States in Central Asia and their transit developing neighbours through relevant multilateral, bilateral and regional arrangements to address issues regarding the development of a viable transit infrastructure in the region,

Taking note of the progress report prepared by the United Nations Conference on Trade and Development on the transit environment in the landlocked States of Central Asia and their transit neighbours,[24] and considering that the problems of transit transport facing the Central Asian region need to be seen against the backdrop of economic changes and accompanying challenges, including especially the impact of those changes on the international and intraregional trade of the countries concerned,

Recognizing that, to be effective, a transit transport strategy for the newly independent and developing landlocked States in Central Asia and their transit developing neighbours should incorporate actions that address both the problems inherent in the use of existing transit routes and those associated with the early development and smooth functioning of new, alternative routes, and welcoming, in this context, further cooperation of landlocked States with all interested countries,

Noting that there have been a number of important developments at the subregional and regional levels, including the signing of a transit transport framework agreement among member States of the Economic Cooperation Organization at Almaty, Kazakhstan, on 9 May

[23] TD/B/42(1)/11–TD/B/LDC/AC.1/7, annex I.

[24] A/53/331, annex.

1998, the signing by the heads of State of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, the Economic Commission for Europe and the Economic and Social Commission for Asia and the Pacific of the Tashkent Declaration of 26 March 1998 on the United Nations special programme for the economies of Central Asia,[25] the implementation of the expanded Transport Corridor-Europe-Caucasus-Asia programme and the signing of the Baku Declaration of 8 September 1998,[26]

Emphasizing once again the importance of strengthening international support measures to address further the problems of the newly independent and developing landlocked States in Central Asia and their transit developing neighbours,

1. *Notes with appreciation* the contribution of the United Nations Conference on Trade and Development to improving the efficiency of the transit transport system in the landlocked States in Central Asia and their transit developing neighbours;

2. *Invites* the Secretary-General of the United Nations Conference on Trade and Development and the Governments concerned, in cooperation with the United Nations Development Programme, the Economic and Social Commission for Asia and the Pacific, the Economic Commission for Europe and relevant regional and international organizations, and in accordance with approved programme priorities and within existing financial resources, to continue elaborating a programme for improving the efficiency of the current transit environment in the newly independent and developing landlocked States in Central Asia and their transit developing neighbours;

3. *Also invites* the United Nations Conference on Trade and Development, in close cooperation with the regional economic commissions, within their respective mandates and current resources, as well as with other relevant international organizations, to provide technical assistance and advisory services to the newly independent landlocked States in Central Asia and their transit developing neighbours, taking into account the relevant transit transport agreements;

4. *Invites* donor countries and multilateral financial and development institutions, within their mandates, to continue to provide the newly independent and developing landlocked States in Central Asia and their transit developing neighbours with appropriate financial and technical assistance for the improvement of the transit environment, including construction, maintenance and improvement of their transport, storage and other transit-related facilities and improved communications;

5. *Calls upon* the United Nations system to continue studying, within the scope of the implementation of the present resolution, possible ways of promoting more cooperative arrangements between landlocked States in Central Asia and their transit developing neighbours, and to encourage a more active supportive role on the part of the donor community;

6. *Requests* the Secretary-General of the United Nations Conference on Trade and Development, in close cooperation with the regional commissions, to prepare a report on the implementation of the present resolution, to be submitted to the General Assembly at its fifty-fifth session.

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11. The Committee also recommends to the General Assembly the adoption of the following draft decision:

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[25] A/53/96, annex II.

[26] A/C.2/53/4, annex.

Documents relating to trade and development

The General Assembly takes note of the following documents:

(a) Report of the Trade and Development Board on its sixteenth, seventeenth and eighteenth executive sessions;[27]

(b) Note by the Secretary-General on the follow-up to agreed conclusions 1997/1 of the Economic and Social Council.[28]

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[27] A/53/15 (Parts I–III), to be issued in *Official Records of the General Assembly, Fifty-third Session, Supplement No. 15* (A/53/15/Rev.1).

[28] A/53/510.